

GRAHAM HOSPITAL DISTRICT  
BOARD OF DIRECTORS MINUTES  
October 27, 2020

The Board of Directors of Graham Regional Medical Center met via Zoom and in the Education Conference Room Tuesday, October 27, at 12:00 P.M.

Board members present: Wyatt Pettus, Suzy Graham, Dr. Behr, Sylvia Overton, Terri Bishop, and Jon Garvey

Board member via Zoom: Barrie Strickland

Members of management present: Shane Kernell, Jeff Casbeer, Sharon Hilliard, Karl Hittle, and Curtis Rojas

Members of management present via Zoom: Jeff Clark, Terri Busey, Shelly Walls, Enoc Espinoza, and Pamela Harvell

Others present via Zoom: Melissa Purvis

Others present: Erin Freeman

Presiding Secretary: Tammy Whittenburg

**1. Call to Order and Record of Attendance**

President Pettus called the meeting to order at 12:02 P.M. Invocation was given by President Pettus.

**2. Public Comment**

There were no public comments.

**3. Meeting Minutes**

The Directors were asked to review the minutes of the regular meeting on September 22, 2020, for any revisions or corrections.

**Action**

Motion by Sylvia Overton, second by Suzy Graham to approve the regular board minutes of September 22, 2020. Motion carried.

**4. Finance Committee Report**

September 2020 Financials – Jeff Casbeer

- Presented and reviewed were the Financial Highlights for September; Income and Expense Statement for the Month Ended September 30, 2020; Balance Sheet as of September 30, 2020; Statement of Sources and Uses of Cash Flow, September 2020; Scorecards for September 2020 showing Admissions, Patient Days, Observation, Surgery Procedures, Radiology Procedures, Laboratory Procedures, and Visits Statistics. Also presented was the Statistics Trended; Net Revenue to Cash Analysis; GRMC POS Cash Analysis; MD Save Tracker; FTE/AOB Analysis; Scorecards for September 2020 showing DCOH, EBIDA Margin, Debt Service Ratio, Average Payment Period, SWB/Net Patient Revenue, Salary % Net Patient Revenue, Days of Cash on Hand, and EBIDA.
- October cash is projected to decrease by \$295K based on collections through October 14, 2020.
- GRMC has spent \$65,961 on supplies that are directly tied to the preparation of treatment of patients with COVID. In addition, there have been expenditures of \$120,385 for Salaries,

\$26,226 for Purchased Services, and \$41,988 for Admin Fees that are all directly tied to COVID-19.

- GRMC nursing personnel are screening patients from 6:00 A.M. to 5:00 P.M. Monday through Friday. In the month of March, there were 12 days that were covered by screeners for a cost of \$5,578. In April GRMC spent \$24,937 on payroll for staff who were reallocated due to COVID. In May, GRMC spent \$9,561 on payroll for staff who screened patients in the lobby. In June, GRMC spent \$9,430 on payroll for staff who screened patients in the lobby. In July, GRMC spent \$9,562 on payroll for staff who screened patients. In August, the cost was \$9,687 and September screeners cost \$9,175.
- In the month of March, GRMC deferred 39 surgical procedures. The procedure count consisted of 17 orthopedic cases, 12 cataracts, and 10 general surgery cases. Estimated cash collections were impacted by \$18,780 for cataracts, \$94,038 for orthopedic cases, and \$11,334 for general surgery cases, for a total of \$124,152. In the month of April, GRMC deferred 23 cases. The procedure count consisted of 17 orthopedic cases and 6 general surgery cases. Estimated cash collections were impacted by \$125,304 for orthopedic cases and \$4,623 for general surgery cases, for a total of \$129,927. There were no deferrals in May or June. Elective IP surgical cases were suspended on July 17, 2020, in order to ensure that beds were available for COVID patients, per the Governor's state guidelines. This deferral lasted through July 29, 2020, and 4 cases were moved to August.
- Accelerated Payments have been received for EMS in the amount of \$88,394 and the Ortho Clinic for \$39,893. The Hospital's accelerated payment of \$2,501,472 was received September 15, 2020. CMS announced the new repayment terms on October 8, containing the following guidelines:
  - Repayment start time:** Repayment begins one year from the date the Accelerated and Advanced Payment (AAP) was issued. Previously, repayment began 120 days after the issuance of payment.
  - Recoupment schedule:** Once repayment begins, Medicare payments owed to providers and suppliers will be recouped at a rate of 25% for 11 months. After the 11-month period, Medicare payments will be recouped at a rate of 50% for six additional months. The withhold/recoupment rate had previously been 100%.
  - Remaining balance:** After the repayment period ends (i.e., after the 12-month grace period and 17-month repayment period), a letter for any remaining balance of the AAPs will be issued. Providers and suppliers will have 30 days from the date of the letter to repay the balance in full. If payment is not received within 30 days, interest will accrue at the rate of 4% from the date the letter was issued and will be assessed for each full 30-day period that the balance remains unpaid.
- In April GRMC received CARES grants in the amount of \$390,664.27 for GRMC, \$32,757 for EMS, \$5,575 for YCFC, and \$12,595 for the Ortho Clinic. In May, GRMC received \$3,499,887 from the Rural Relief Fund, \$293,667 for the RHC, and another \$49,461 for the RHC.
- GRMC was also paid \$84,317 from the SHIP COVID Funding in April 2020.
- The Payroll Protection Act loan was received on May 4, 2020, in the amount of \$1,732,538. This is a 24-week loan to be used for payroll expenses and maintaining the same number of employees as in the prior 4 months. The payroll and accounting staff are currently providing documentation to BKD so that when the SBA opens up reporting, all of the records will be prepared.
- Curtis Rojas reviewed the Revenue Cycle charts.

#### Action

Motion by Terry Bishop, second by Sylvia Overton to approve the financial statements as presented.  
Motion carried.

## 5. Action Items

### a. Revenue Cycle Contract

The Revenue Cycle Services Agreement has been in place for the last five years. We would like to renew the contract effective November 1, 2020. It will be for a two-year term and auto-renew for successive one-year periods until terminated. The Billing and Consultative Support Fees will be increased up to 3% per year effective October 1 subject to the calculations on the Key Performance Indicator. This contract has been reviewed by our attorney, Robert Spurck.

#### Action

Motion by Dr. Behr, second by Terry Bishop to approve the Revenue Cycle Services Agreement as presented. Motion carried.

### b. Health Benefit Plan

GRMC has been with Blue Cross Blue Shield for the last two years. Our broker has been Marsh & McLennan Agency. They were able to negotiate a 3% decrease for this coming year. We offer our employees two plans – the High Deductible Health Plan (HDHP) and the Preferred Provider Organization (PPO). Both plans are broken down on a three-tier structure based on hourly wages. Our goal this year is to cover as many employees as we can under the plan and try as well as we can to enrich the benefits. What we are recommending this year is putting forth some money in employees' health savings accounts voluntarily from the hospital. Those that sign up for the HDHP plan, along with an HSA, will receive \$20.00 deposited into their HSA account every pay period. In a year, that is \$520.00 for them to use for healthcare. There is a slight increase in the dental premium of about \$8,000. We are recommending the hospital absorb that. Overall, the net increase over last year is \$12,000, which we have budgeted for.

#### Action

Motion by Dr. Behr, second by Jon Garvey to approve the Health Benefit Plan with Blue Cross Blue Shield as presented. Motion carried.

### c. Meditech Interface Engine

The Meditech Interface Engine is often referred to as a "cold feed" and is being requested to implement and enhance documents received in Electronic Medical Records (EMR). Currently, any document that is added to the EMR is copied, scanned, sent to Medical Records, and uploaded in an electronic folder in the EMR. The cold feed will allow a direct feed to our EMR. This process of information management will improve the medical records and save time and workload for many users.

#### Action

Motion by Terry Bishop, second by Sylvia Overton to approve the Meditech Interface Engine as presented. Motion carried.

### d. Move Board Meetings to Fourth Thursday each month

Starting in January 2021, we would like to move the board meetings to the fourth Thursday each month at noon. The goal is to give Finance more time to close the books and give the Finance Committee more time options to meet before the board meetings.

#### Action

Motion by Terry Bishop, second by Sylvia Overton to approve moving the Board Meetings to the Fourth Thursday each month as presented. Motion carried.

### e. Security/Safety/Risk Plan

Jeff Clark presented the Security Safety Risk Plan. The plan establishes the parameters within which a safe environment of care is developed, maintained, and improved. The plan also addresses specific responsibilities and general safety, as well as employee education programs. The GRMC Safety and Risk Committee meet every month to review the events, drills, and potential risk situations. The FY 2021 Safety Plan includes goals on All Hazards Analysis, Emergency Management Operations Team, Safety Environment, and Employee Education.

**Action**

Motion by Dr. Behr, second by Suzy Graham to approve the Security/Safety/Risk Plan as presented. Motion carried.

**6. Reports**

**a. Medical Chief of Staff Report**

- i. Dr. John Lucas was not in attendance.

**b. CEO Report – Shane Kernell**

- i. Dr. Michael Castillo has joined Graham Medical Associates (GMA) at the beginning of September, and he has performed 20 pain procedures at the hospital. Dr. Chad Stephens, who was coming here from Southlake doing clinic at GMA for the last six months, has done two procedures at our hospital. We have written Dr. Stephens a termination letter stating we will no longer pay him \$2,500 a month to come to Graham.
- ii. We are running hot on COVID right now. We have six patients in the hospital along with our other eight non-COVID patients. We will be meeting with a couple of area hospitals, Breckenridge and Olney, to discuss worst-case scenarios. That is if we run out of places to transfer our worst-case patients. We have beds, supplies, and equipment. The rate limiter for every hospital in the United States is people.
- iii. Mr. Kernell will be presenting at the Lion’s Club this week. He tries to present to them at least once a year and give an update on the state of the hospital. He presented at the Rotary Club last month.
- iv. We did sign a deal with Channel 3 out of Wichita Falls to do a multimedia marketing campaign for us on TV commercials, Facebook, and other print items we will be putting out. We will also be meeting with the *Graham Leader* to come up with a package for the next year’s advertising. Dr. Vaughan did a commercial that has been on the local news, and we are very pleased with it. It is also on our Facebook page. We are also focusing on the Young County Family Clinic and have done a lot of digital ads for them. They have set up their own Facebook page.

**7. Executive Session**

President Pettus convened into Executive Session at 1:23 P.M.

Executive Session: The Board will meet in closed session pursuant to:

- a. Texas Health and Safety Code §161.032, deliberation of information from the Medical Staff regarding applications for appointment and/or reappointment to the Medical Staff and information from the Compliance Officer to consider quality assurance/performance improvement reports
- b. Texas Government Code §551.074, personnel matters

Executive Session adjourned at 1:48 P.M.

**8. Open Session**

The Board reconvened in open session at 4:06 P.M.

**Action**

Motion by Dr. Behr, second by Suzy Graham to approve the Appointments, Reappointments, and Delegated Credentialing of:

New Appointments:

- Allied:
  - Reah Gambrell, PMHNP

Reappointments

- TeleNeurology:
  - Christian Burrell, MD
- Allied:
  - David Hoodenpyle, FNP
- Hospital-Based:
  - Terence McCarthy, MD - Emergency Medicine

Delegated Credentialing

- Teleradiology:
  - Omar Samarah, MD
  - Tony Maung, MD
  - Joel Shockley, MD

**Action**

Motion by Jon Garvey, second by Sylvia Overton to approve the Quality Report as presented. Motion carried.

**Action**

Motion by Dr. Behr, second by Barrie Strickland to approve the Compliance Report as presented. Motion carried.

**Action**

Motion by Dr. Behr, second by Suzy Graham to approve the personnel agreement to include the five changes discussed. Motion carried.


**Action**

Motion by Suzy Graham, second by Sylvia Overton to adjourn the meeting. Motion carried.

There being no further business, the meeting adjourned at 4:08 P.M.



Wyatt Pettus, President, Board of Directors



Tammy Whittenburg, Secretary, Board of Directors